

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7110**

**BILL NUMBER: SB 1**

**NOTE PREPARED:** Jan 15, 2010

**BILL AMENDED:** Jan 14, 2010

**SUBJECT:** Boards and Commissions.

**FIRST AUTHOR:** Sen. Dillon

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill has the following provisions:

It moves the functions of the Athletic Commission to the Gaming Commission.

It transfers the duties of the Home Health Care Services and Hospice Services Council to the Health Facilities Council.

It makes the Horse Racing Commission responsible for functions previously performed by the Quarter Horse Breed Development Advisory Committee, the Standardbred Advisory Board, the Standardbred Breed Development Advisory Committee, and the Thoroughbred Breed Development Advisory Committee.

It eliminates the Law Enforcement Training Board Advisory Council.

It abolishes the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund) Advisory Committee (Committee) and transfers the Committee's duties to the Public Employees' Retirement Fund's (PERF) Board of Trustees or the PERF Executive Director.

It repeals the Personnel Board (IC 4-15-1, IC 5-15-2-2.2, and IC 4-15-2.5-2); the Advisory Commission on Intergovernmental Relations (IC 4-23-24-2); the Quarter Horse Breed Development Advisory Committee and the Standardbred Advisory Breed Development Advisory Committees (IC 4-31-11-1 through IC 4-31-9); the Standardbred Advisory Board, the Thoroughbred Breed Development Advisory Committee (IC 15-19-2-1, IC 15-19-2-2, IC 15-19-2-3, IC 15-19-2-4, IC 15-19-2-5, IC 15-19-2-5, and IC 15-19-2-5); the Athletic Commission (IC 25-9-1); the Transportation Corridor Planning Board (IC 8-4.5-1-3 and IC 8-4.5-2); the

Motor Vehicle Sales Advisory Board (IC 9-23-1); Operation Lifesaver Program (IC 9-27-2-12); the Medicaid Work Incentive Council (IC 12-15-42); the Bureau of Water and Resource Regulations and Bureau of Lands and Cultural Resources Advisory Council (IC 14-9-6, IC 14-21-1-5); the New Harmony Commission (IC 14-20-4); the Soldiers' and Sailors' Children's Home Advisory Committee (IC 16-19-6-9); the Home Health Care Services and Hospice Services Council (IC 16-27-0.5); the Radiation Control Advisory Commission (IC 16-41-35-2, IC 16-41-35-16, IC 16-41-35-17, and IC 16-8-2-9); the Insurance Producer Education and Continuing Education Advisory Council (IC 27-1-15.7); and the Mandated Health Benefits Task Force (IC 27-1-3-30). It makes conforming changes.

**Effective Date:** July 1, 2010.

**Explanation of State Expenditures:** Cost savings of between \$60,000 and \$100,000 may result from the elimination of these 20 boards, committees, commissions, and councils. Appropriations for salary per diem, travel, and other reimbursement or expenses would revert to state funds or would not be budgeted. Additionally, state officers and agencies may provide assistance to some of these entities, resulting in cost or labor savings to the extent that agency positions devoted to staffing boards, commissions, and committees could be eliminated or reassigned to other functions. Most of the terminated entities are funded with state General Fund dollars, but some receive funds from dedicated sources.

[Note: To calculate the cost savings, the statutory minimum number of meeting was used or four meetings a year was substituted when the number was unknown. A cost of \$100 per member was used to stand in for salary per diem, travel, or other reimbursement. Currently, for executive committee meetings, the salary per diem for lay members is \$50 and the travel reimbursement is \$0.40 per mile. State employees receive up to \$97 for lodging.]

**Additional Information:** The bill specifically enumerates 20 boards, commissions, committees, or councils that terminate on July 1, 2010. Four of the entities' duties are transferred to other existing entities.

The most frequent and single expense of the terminated entities is salary per diem and traveling expense reimbursement, which is provided based on the member being a state employee or, in some cases, a state legislator. The number of members ranges from 3 to 24, with the average number of members being 10.

Using the criteria that the appointing authority for the committee members establishes the control of the entity, it is estimated that 19 of the 20 entities are executive committees and one is a legislative committee (the Advisory Commission on Intergovernmental Relations). Some members of the entity may be appointed by statute as a function of position, but other members of the entity are appointed by the Governor.

Most of the entities are advisory in responsibility. However, some of the terminated entities oversee funds for specific purposes or may adopt rules.

**Explanation of State Revenues:** *Breed Development Funds:* The breed development funds are established and administered by the Indiana Horse Racing Commission. After considering recommendations by the breed advisory board or committee, the Commission may distribute money in the fund to supplement a purse for a race at a county fair or agricultural exposition in Indiana. The funds consist of breakages and outs paid into the fund, appropriations by the General Assembly, gifts, stakes payments, entry fees, and money paid into the funds from admission taxes. Under the bill, the advisory board or committee would be eliminated.

[On June 30, 2009, the Quarter Horse Development Fund had assets of \$1.2 M, the Thoroughbred

Development Fund had assets of \$8.3 M, and the Standardbred Development Fund had assets of \$11.6 M.]

*Athletic Commission Fund:* The bill eliminates the Athletic Commission Fund, which is administered by the Indiana Gaming Commission, and establishes the Athletic Fund, also to be administered by the Indiana Gaming Commission. [On January 12, 2010, the Athletic Commission Fund had assets of \$16,000.]

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Several.

**Local Agencies Affected:**

**Information Sources:**

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